Chapter 8: Transmittal Reporting

Chapter Overview

This chapter provides information about transmittal reporting to DRS. Retirement contributions and deferred compensation are both reported on the transmittal reports. Refer to this chapter for details about:

- Transmittal reporting requirements
- Making corrections to the transmittal report
- Automated reporting requirements
- Edits for automated reporting
- Manual (paper) reporting
- Sequencing of annual statements

See Chapter 6 for instructions on how to calculate and transmit employer and employee contributions. Refer to Chapter 9 for information about transmittal edit reports.

Changes to Current Reporting Requirements

The following changes to the multiple record layout (MRL) and reporting procedures have been made due to the optional nature of PERS Plan 3:

- The Plan 3 Transfer Record has been renamed *Plan Choice Record.*

- Within the Plan Choice Record, the Transfer Date field has been renamed to *Plan Choice Date* or *Transfer Date.*

- A new field, *Plan Choice* has been added to the end of the Plan Choice Record.

The list provides information for this two-character field:

2C—New PERS Plan 2 member chooses Plan 2
3C—New PERS Plan 2 member chooses Plan 3
3D—New PERS Plan 2 member is defaulted into Plan 3
3X—Plan 2 member transfers to Plan 3

Refer to pages 8—19 for reporting current Plan 2 members who want to transfer to Plan 3, page 8—20 for reporting new members of PERS Plan 2. New members must be reported in Plan 2 until they choose or default into Plan 3. The information above is required to support PERS Plan 3.

The information reported by employers, the method of reporting and the timing of when reports are sent to DRS are changed as follows:

- Employers who have bi-weekly and/or semi-monthly payroll cycles should send reports each pay day rather than monthly.

- Employers reporting by diskette or tape should start using the File Transfer Protocol (FTP) electronic reporting process between now and the Plan 3 implementation dates.

- Employers reporting with the paper report, with more than 30 members per system, should begin using spreadsheet software to create a retirement file, and report using the FTP electronic process.

- Employers should use the MRL for **every** system they report; i.e., PERS, LEOFF, etc.

DRS recommends employers implement the changes listed in the information above to support the daily environment of Plan 3 and for consistency of reporting.

Additional Changes

- Valid earning periods for PERS Plan 2 are from October 1977 forward. This is true for any PERS Plan 2 current member who transfers to Plan 3.

- Valid earning periods for PERS Plan 3 are from March 2002 forward, if the member works for a phase one employer.

- Valid earning periods for PERS Plan 3 are from September 2002 forward, if the member works for a phase two employer.

- The employer contribution rate for PERS Plan 3 will be the same as PERS Plan 2.

- PERS Plan 3 contribution rate options and investment programs will be the same as the Teachers' Retirement System (TRS) Plan 3, and the School Employees' Retirement System (SERS) Plan 3.

Reporting to DRS

DRS depends upon receiving *timely and accurate information* from employers to provide service to retirement members and participants of the DCP. Accurate transmittal reporting by employers helps ensure:

- Plan 3 member contributions and participant deferrals are posted in a timely manner;
    - interest on member accounts is calculated and posted accurately;
    - member requests to withdraw contributions or participant requests for distribution of deferrals are processed in a timely manner; and
    - member retirement benefits are calculated correctly.

Retirement Systems

Each month, employers are required to report information to DRS about each employee who is a member of a Washington State retirement system. This process is referred to as the regular transmittal report. Transmittal reports are due to DRS by the 15th of the month following the month being reported; e.g., the December transmittal is due January 15. If a transmittal report is late, DRS will assess a late penalty fee [RCW 41.50.110(5)].

Note: DRS recommends to employers they send the Plan 3 member contributions and the transmittal report as close to the first day of the month as possible. This allows the Plan 3 members contributions to be invested as soon as possible.

Deferred Compensation Program

Participating employers are required to report their employees who choose to participate in the DCP. This report must be submitted to DRS before, on or soon after each payday. Reports that are received more than five days beyond an employer's payday will be considered late.

Note: DRS will process DCP reports the day they are received if the money and the report are received together and can be reconciled.

A Summary of the Reporting Process

Retirement Systems

Employers can report to DRS in one of two ways: **manually**, using a preprinted paper report titled *"Member Earnings Transmittal Report—MRL*"; **electronically**, using a variety of options provided for automated reporting. Contact ESS if you need help getting started or have questions about your monthly reporting.

Deferred Compensation Program

Currently, employees become participants and/or change their deferral amount by sending DRS a Participation Agreement (PA) form. Participants will change their deferral amounts by phone or the Internet. To ensure security, future account transactions; e.g., deferral amount changes, will require a participant's Social Security number and associated Personal Identification Number (PIN) combination.

DRS will inform employers via a paper or electronic report of:

1. new participants; and
2. deferral amount changes for current participants.

This report will replace the PA form that DRS currently sends to employers as authorization (per the employee) for a new DCP deduction amount. Employers can report to DRS in one of two ways: **manually**, using a preprinted paper report titled *"DCP Transmittal Report*"; **electronically**, using a variety of options provided for automated reporting. Contact ESS if you need help getting started or have questions about your monthly reporting.

Starting Your Reporting

If you are a new employer or have resumed reporting, you must contact ESS to establish or reactivate your account. Once your account has been activated, you can begin sending your transmittal reports.

Submitting the Transmittal Report

The options available for submitting the member and participant information are described briefly below:

You can submit your transmittal report through the Internet using the Web-Based Employer Transmittal (WBET). (See page 8—44 or www.wa.gov/drs/employer.)

File Transfer Protocol

You can submit your transmittal report through the Internet using File Transfer Protocol (FTP). Refer to page 8—49.

Computer Diskette

You can submit your transmittal report on a 3.5-inch computer diskette. To report in this way, use a personal computer, save an electronic file in a format DRS will accept, then mail the computer diskette to ESS. Refer to page 8—52.

Dataset to DIS

If you have access to the Department of Information Services' (DIS) mainframe computer, you can submit your transmittal report as a dataset. See page 8—56.

Manual (Paper) Reporting

You can use a preprinted paper report sent to you each month by DRS. To report in this way, make corrections, changes, or additions using pen (red preferred) or typewriter on the manual transmittal report and mail it back to ESS. Refer to page 8—84.

Stopping Your Reporting

Do *not* simply stop sending the transmittal report. DRS expects to receive at least one transmittal report from you each month. If you no longer have any members or participants to report, contact ESS for instructions on how to stop reporting.

When to Report Information

Deferred Compensation Program

The DCP transmittal report must reflect participants' deferral information as of each payday. Employers with more than one payday in a month must submit a DCP transmittal report for each payday. One exception to this rule applies to bi-weekly payroll cycles. (DRS expects only two reports—even for the two months that have three pay dates.)

Retirement Systems

The regular transmittal report must reflect the reportable compensation paid to retirement system members during the month being reported. *Compensation must be identified by the month and year in which it is earned***.** Report compensation *as earned, not as paid.* (The earning period field allows employers to record when the compensation was earned.)

Employers with more than one payroll cycle in a month can submit a transmittal report once a month or with each payroll cycle. Employers need to contact ESS to arrange the transition from one report per month to multiple reports. The following pages provide examples of transmittal reporting of retirement contributions for the different payroll cycles. The examples below are intended to explain only when information should be reported and does not reflect the multiple record layout.

Monthly Payroll Cycles

Example #1:

Your payroll cycle is set so an employee is paid on January 31 for work performed from January 1—31. You pay compensation in the same month in which it is earned.

Figure 8-1 shows how you can report the employee using one line of the transmittal. Use a January earning period to report the compensation earned from January 1—31. Report this information on the January transmittal due to DRS by February 15.

Washington State Department of Retirement Systems **Member Earnings Transmittal Report-MRL**

Rpt Grp	Syst/Plan	Rpt Per/Type/Ver/Expt	Employer Name	Prepared by	Telephone	Page
1234	P 1	01/2001 R 01/01	Example, City of	Dawn Riley	(360) 123-4567	1

Member Information	Earnings Information: Earning Period	Status	Compensation	Member Contributions	Employer (DB) Contributions	Hour/ Days	Begin Date	End Date
SSN: 123 45 6789 Name: Doe, Jane	01 01	A	4953 00	297 18	231 31	170 0		
Gender: F Birth: 12/12/40 Type: 03 Name Chg: Y or N								
Address: Add Chg: Y or N								
City State: Zip:								
Investment Program Rate Option:								
Choice/Transfer Date: Plan Choice:								

Figure 8-1

Example #2:

Your payroll cycle is set so that an employee is paid on February 28 for work performed from January 16—February 15. You pay compensation in one month that is earned in two different months (or earning periods).

As shown in Figure 8-2, you must report the employee using two lines on the transmittal. On one line, use a January earning period to report the compensation earned from January 16—31. On a second line, use a February earning period to report the compensation earned from February 1—15. This report would be for the reporting period of February due to DRS by March 15.

Washington State Department of Retirement Systems — **Member Earnings Transmittal Report-MRL**

Rpt Grp	Syst/Plan	Rpt Per/Type/Ver/Expt	Employer Name	Prepared by	Telephone	Page
1234	P 1	01/2001 R 01/01	Example, City of	Dawn Riley	(360) 123-4567	1

Member Information		Earnings Information: Earning Period		Status	Compensation		Member Contributions		Employer (DB) Contributions		Hour/ Days		Begin Date	End Date
SSN: 234 56 7890 Name: Moe, Joe		01	01	A	2000	00	48	60	93	40	80	0		
Gender: M Birth: 07/28/55 Type: 03	Name Chg: Y or N	02	01	A	2000	00	48	60	93	40	80	0		
Address:	Add Chg: Y or N													
City	State: Zip:													
Investment Program	Rate Option:													
Choice/Transfer Date:	Plan Choice:													

Figure 8-2

The transmittal for the reporting period of March would be due to DRS April 15 and would have the compensation earned from February 16—28 and from March 1—15, as shown in Figure 8-3.

Washington State Department of Retirement Systems — **Member Earnings Transmittal Report-MRL**

Rpt Grp	Syst/Plan	Rpt Per/Type/Ver/Expt	Employer Name	Prepared by	Telephone	Page
1234	P 1	01/2001 R 01/01	Example, City of	Dawn Riley	(360) 123-4567	1

Member Information		Earnings Information: Earning Period		Status	Compensation		Member Contributions		Employer (DB) Contributions		Hour/ Days		Begin Date	End Date
SSN: 234 56 7890 Name: Moe, Joe		02	01	A	2000	00	48	60	93	40	80	0		
Gender: M Birth: 07/28/55 Type: 03	Name Chg: Y or N	03	01	A	2000	00	48	60	93	40	80	0		
Address:	Add Chg: Y or N													
City	State: Zip:													
Investment Program	Rate Option:													
Choice/Transfer Date:	Plan Choice:													

Figure 8-3

Bi-Weekly Payroll Cycles

<u>Example #3</u>:

Your payroll cycle is set so that an employee is paid on February 13 for work performed from January 25—February 7 and is paid on February 28 for work performed from February 8—21. You pay compensation in one month that is earned in two different months (or earning periods).

In this case, you must report the employee using two lines on the transmittal, as shown in Figure 8-4. On one line use a January earning period to report the compensation earned from January 25—31. On a second line, use a February earning period to report the compensation earned from February 1—21. Report this information on the February transmittal due to DRS by March 15.

Washington State Department of Retirement Systems — **Member Earnings Transmittal Report-MRL**

Rpt Grp	Syst/Plan		Rpt Per/Type/Ver/Expt	Employer Name	Prepared by	Telephone	Page
1234	P	1	01/2001 R 01/01	Example, City of	Dawn Riley	(360) 123-4567	1

Member Information	Earnings Information												
	Earning Period		Status	Compensation		Member Contributions		Employer (DB) Contributions		Hour/ Days		Begin Date	End Date
SSN: 123 45 6789 Name: Doe, Jane	01	01	A	1000	00	24	30	46	70	40	0		
Gender: F Birth: 12/12/55 Type: 03 Name Chg: Y or N	02	01	A	3000	00	72	90	140	10	120	0		
Address: Add Chg: Y or N													
City State: Zip:													
Investment Program Rate Option:													
Choice/Transfer Date: Plan Choice:													

Figure 8-4

Compensation earned from February 22—March 7 and paid on March 13 is reported on two lines as shown in Figure 8-5. On one line, use a February earning period to report the compensation earned from February 22—28. On a second line, use a March earning period to report the compensation earned from March 1—21. These earnings are reported on the March transmittal due to DRS by April 15.

Washington State Department of Retirement Systems — **Member Earnings Transmittal Report-MRL**

Rpt Grp	Syst/Plan		Rpt Per/Type/Ver/Expt	Employer Name	Prepared by	Telephone	Page
1234	P	1	01/2001 R 01/01	Example, City of	Dawn Riley	(360) 123-4567	1

Member Information	Earnings Information												
	Earning Period		Status	Compensation		Member Contributions		Employer (DB) Contributions		Hour/ Days		Begin Date	End Date
SSN: 123 45 6789 Name: Doe, Jane	02	01	A	1000	00	24	30	46	70	40	0		
Gender: F Birth: 12/12/55 Type: 03 Name Chg: Y or N	03	01	A	3000	00	72	90	140	10	120	0		
Address: Add Chg: Y or N													
City State: Zip:													
Investment Program Rate Option:													
Choice/Transfer Date: Plan Choice:													

Figure 8-5

Note: The bi-weekly examples above can be applied to semi-monthly payroll cycles. As previously stated, reports are due on the 15th of each month, but DRS recommends employers submit reports as of each payday.

Making Corrections to the Transmittal Report

Corrections on your Transmittal Report

Deferred Compensation Program

If the deducted deferral amount is not equal to the preprinted (expected) amount, draw a line through the preprinted amount using a pen (red preferred) or a typewriter and enter the amount that was deducted below the preprinted amount.

To adjust a DCP participant's deferral, determine the current deduction. Then add to or subtract from this amount to determine the appropriate amount to deduct/report to DRS. Employers should communicate with DRS staff before making this type of adjustment.

Retirement Systems

You can make corrections on your transmittal report, or use WBET or the Transmittal Correction form (TC) to submit changes at any time during the month. Automated corrections can be submitted using any of the automated methods available.

Two methods may be used to make corrections via the transmittal report. They are the "reverse and reenter" method and the "adding/subtracting" method.

The preferred method is the reverse and reenter method. Using this method creates a record of your correction, an audit trail, which makes it easier for others to identify when and how a correction was made.

The adding/subtracting method allows you to use a single line to make a correction. This method can be used to correct errors in reported compensation, contributions or service.

Note: To correct member contributions in Plan 3, use the current salary and rate to determine the current deduction. Then add to or subtract from this amount to determine the appropriate amount to deduct/report to DRS. As of March 1, 2002, DRS can process negative defined contributions up to 80 percent of reported contributions, via the transmittal report. If you need to back out more than 80 percent, contact ESS.

Reverse and Reenter Method for Manual Reporting

Example:

- On one blank line of the report, enter information for the employee exactly as you had reported it originally. Use brackets “[ ]” or a negative sign “-” to indicate negative amounts. See Figure 8-6.

Note: If you are correcting information for a *nontaxed period,* the information may have been changed by DRS when your regular transmittal report was processed. Be sure to back out the information *the same as it was changed by DRS*. If you are correcting a *taxed period*, back out the information exactly as it was reported originally.

- On a second blank line, reenter the correct information for the employee.
- Make any adjustments necessary to the page, plan and system totals.

Washington State Department of Retirement Systems — **Member Earnings Transmittal Report-MRL**

Rpt Grp	Syst/Plan	Rpt Per/Type/Ver/Expt	Employer Name	Prepared by	Telephone	Page
1234	P 1	03/2001 R 01/01	Example, City of	Dawn Riley	(360) 123-4567	1

Member Information		Earnings Information: Earning Period	Status	Compensation	Member Contributions	Employer (DB) Contributions	Hour/ Days	Begin Date	End Date
SSN: 123 45 6789 Name: Doe, Jane		02 01	A	-1000 00	-24 30	-46 70	-40 0		
Gender: F Birth: 12/12/55 Type: 03	Name Chg: Y or N	02 01	A	3000 00	26 40	53 10	120 0		
Address:	Add Chg: Y or N								
City	State: Zip:								
Investment Program	Rate Option:								
Choice/Transfer Date:	Plan Choice:								

Figure 8-6

Reverse and Reenter for Automated Reporting

Example:

First, enter a *reversing* transaction:

- Enter the month, year, status code and type code of the earning period you want to correct.
- Enter negative amount in the COMPENSATION, MEMBER CONTRIBUTIONS, EMPLOYER CONTRIBUTIONS and HOURS/DAYS fields to back out the incorrect reporting.

Note: If you are correcting information for a *nontaxed period*, the information you reported may have been changed by DRS when your transmittal was processed. Be sure to back out the information *the same as it was changed by DRS*. If you are correcting reporting for a *taxed period*, back out the information as it was reported originally.

Second, enter the *correcting* transactions:

- Enter the month, year, status code and type code of the earning period you want to correct.
- Enter the correct, positive amounts in the COMPENSATION, MEMBER CONTRIBUTIONS, EMPLOYER CONTRIBUTIONS and HOURS/DAYS fields.
- Adjust the summary record (or summary page) totals as necessary.

Adding/Subtracting Method for Manual Reporting

Example:

- On a blank line of the form, enter member information in the SSN, NAME and TYPE fields.
- In the EARNING PERIOD field, enter the applicable month and year for the earning period being corrected.
- In the STATUS field, enter the applicable status code for the earning period being corrected.

- In the COMPENSATION, MEMBER CONTRIBUTIONS, EMPLOYER CONTRIBUTIONS and HOURS/DAYS fields, add to or subtract from the previously reported amounts to adjust the reported total.

Note: As shown in Figure 8-7, if an employee earned $220.00 more than was reported and worked an additional eight hours, the compensation, contributions, and service would need to be adjusted upward.

Washington State Department of Retirement Systems — Member Earnings Transmittal Report-MRL

Rpt Grp (Dept)	Syst/Plan	Rpt Per/Type/Ver/Expt	Employer Name	Prepared by	Telephone	Page
1234	P 1	03/2001 R 01/01	Example, City of	Dawn Riley	(360) 123-4567	1

Member Information		Earnings Information											
		Earning Period		Status	Compensation		Member Contributions		Employer (DB) Contributions		Hour/ Days		Begin Date	End Date
SSN: 123 45 6789 Name: Doe, Jane		02	01	A	220	00	5	34	10	27	8	0		
Gender: F Birth: 12/12/55 Type: 03	Name Chg: Y or N	03	01	A	3000	00	26	40	53	10	120	0		
Address:	Add Chg: Y or N													
City	State: Zip:													
Investment Program	Rate Option:													
Choice/Transfer Date:	Plan Choice:													

Figure 8-7

- At the bottom of the report, enter the page, plan and system totals. Complete the necessary employer profile information in the header.

Note: DRS recommends using one of the automated methods to submit correction reports, rather than using the paper TC form.

Adding/Subtracting for Automated Reporting

Example:

- Enter the month and year of the earning period you want to correct.

- Add to or subtract from the previously reported hours/days of service to correctly adjust the total.

Note: If hours of service were reported as 132.0 and should have been reported as 140.0, report *positive* hours of 8.0.

- Adjust the summary record (or summary page) totals as necessary.

Corrections using the Transmittal Correction Form

The preferred method for making corrections is to use WBET, but you can use a Transmittal Correction form (TC) to make corrections to your transmittal reporting (excluding DCP reporting). Because a TC can be sent to DRS at any time during the month, it is usually the quickest method to use to make corrections to your transmittal report. The same two methods for making the corrections to your transmittal report are used for the TC. The methods are "reverse and reenter" and "adding/subtracting."

Reverse and Reenter Method for TC

Example:

- Complete the necessary employer profile information in the header.

- On one blank line, enter information for the employee exactly as you had reported it originally. Use brackets "[ ]" or a negative sign "-" to indicate negative amounts. See Figure 8-8.

Note: If you are correcting reporting for a *nontaxed period*, the information you reported may have been changed by DRS when your regular transmittal report was processed. Be sure to back out the information *the same as it was changed by DRS*. If you are correcting a *taxed period*, back out the information exactly as it was reported originally.

On a second blank line, reenter the correct information for the employee.

Washington State Department of Retirement Systems — **Transmittal Correction Report**

Rpt Type	Rpt Grp (Dept)	System	Plan	Employer Name	Prepared by	Telephone	Page
[redacted]	1234	P	2	Example, City of	Dawn Riley	(360) 123-4567	1

Member Information	Earnings Information											
	Earning Period		Status	Compensation		Member Contributions		Employer (DB) Contributions		Hour/ Days	Begin Date	End Date
SSN: 123 45 6789 Name: Doe, Jane	01	01	A	-4953	00	-297	18	-231	31	-170	(	
Gender: F Birth: 12/12/40 Type: 03 Name Chg: Y or N	01	01	A	4500	00	39	60	79	85	165	0	
Address: Add Chg: Y or N												
City State: Zip:												
Investment Program Rate Option:												
Choice/Transfer Date: Plan Choice:												
	Page Total											
	Plan Total											
	System Total											

Mail this form to:
Department of Retirement Systems
Employer Support Services
PO Box 48380
Olympia, WA 98504-8380

gure 8-8

- At the end of the TC report, enter page, plan and system totals.

Adding/Subtracting Method for TC

Example:

- Complete the necessary employer profile information in the header.
- On a blank line of the form, enter member information in the SSN, NAME and TYPE fields.
- In the EARNING PERIOD field, enter the applicable month and year for the earning period being corrected.
- In the STATUS field, enter the applicable status code for the earning period being corrected.
- In the COMPENSATION, MEMBER CONTRIBUTIONS, EMPLOYER CONTRIBUTIONS and HOURS/DAYS fields, add to or subtract from the previously reported amounts to adjust the reported total.

Note: As shown in Figure 8-9, an employee earned $220.00 more than was reported and worked an additional eight hours, the compensation, contributions and service would need to be adjusted upward.

Washington State Department of Retirement Systems | **Transmittal Correction Report**

Rpt Type	Rpt Grp (Dept)	System	Plan	Employer Name	Prepared by	Telephone	Page
[redacted]	1234	P	2	Example, City of	Dawn Riley	(360) 123-4567	1

Member Information	Earnings Information: Earning Period		Status	Compensation		Member Contributions		Employer (DB) Contributions		Hour/ Days		Begin Date	End Date
SSN: 123 45 6789 Name: Doe, Jane	01	01	A	220	00	5	34	10	27	8	0		
Gender: F Birth: 12/12/40 Type: 03 Name Chg: Y or N													
Address: Add Chg: Y or N													
City State: Zip:													
Investment Program Rate Option:													
Choice/Transfer Date: Plan Choice:													
Page Total													
Plan Total													
System Total													

Mail this form to:
Department of Retirement Systems
Employer Support Services
PO Box 48380
Olympia, WA 98504-8380

Figure 8-9

- At the end of the report, enter the page, plan and system totals Complete the necessary employer profile information in the header.

Note: DRS recommends using one of the automated methods to submit correction reports, rather than using the paper TC form..

Multiple Record Layout Automated Reporting

Procedures for Multiple Record Layout (MRL) Reporting

The following pages provide information about procedures used in the MRL automated reporting. Because various reporting options are used by employers, these procedures may not describe the specific reporting procedures used by your agency. Please contact the appropriate staff in your agency or contact your service bureau for additional guidance for reporting procedures for your particular situation.

If you have other questions about how to accomplish your automated reporting, see page 8—44 or contact ESS for assistance.

Adding an Employee to the Transmittal Report

When you hire a new employee who is eligible for retirement system coverage or who chooses to participate in the DCP, or when an existing employee becomes eligible for retirement coverage, you must begin reporting the employee to DRS.

Before Adding an Employee

Verify the employee's plan assignment. The correct plan assignment is critical to ensure accurate reporting. This includes determining if the employee can transfer into PERS Plan 3 or if he or she must choose between Plan 2 or Plan 3 within 90 days of employment. Contact the appropriate retirement system (PERS, SERS, TRS, LEOFF) or Employer Support Services (ESS) for assistance with verifying a plan assignment. Plan 1 is the only plan within DCP.

Determine the correct month to begin reporting the employee. If an employee first earns compensation in March, you would begin reporting the employee with a March earning period and begin date. The employee would be added to either the March or the April transmittal, depending upon your payroll cycle. (See the section called "Reporting to DRS" earlier in the chapter for information about payroll cycles.)

Adding a DCP Participant to the Transmittal

DRS currently informs employers when to start deducting DCP deferrals. DRS will distribute an official DRS report as notification to all employers except users of the Human Resources Information System Division (HRISD) payroll system. DRS informs employers and HRISD of the new participants' deferrals and or deferral amount changes via a paper or electronic report. This report replaces the PA form that DRS currently sends to employers as authorization (per the employee) for a new deduction amount.

Note: Employers should not establish a DCP deduction before receiving approval from DRS.

Completing the First Transmittal Report

The following information *must* be included on your transmittal report the first time you report an employee to DRS. The member's/participant's enrollment will not be completed until DRS has received this data. The transmittal system will reject any transactions for members whose information is incomplete on the transmittal report.

The four fields in each record which follow the record type identifier are common (*Key*) fields and are part of each record type. They are:

- Reporting Group Number;
- Reporting Period;
- Report Type; and
- Report Version Number.

Create the following record types the first time you report an employee:
Note: Do not report the member profile record if you are reporting a retiree.

Member Profile Record

Record Type Identifier

Key

Social Security Number

Member/Participant Name Change Flag = Y

Member/Participant Last Name

Member/Participant First Name

Member/Participant Middle Name*

Member/Participant Name Extension*

Member/Participant Name Title*

Member/Participant Name Suffix*

Address Change Flag = Y

Address 1

Address 2*

Address 3*

City

State

Zip Code

Zip Code Extension*

Gender

Birth Date

* Optional

Employment Information Record

Record Type Identifier

Key

Social Security Number

System Code

Plan Code

Type Code

Eligibility Start Date

Defined Benefit Record (not applicable for DCP)

Record Type Identifier

Key

Social Security Number

System Code

Plan Code

Type Code

Earning Period

Status Code

Hours

Days

Compensation

Employer Contributions

Defined Benefit Member Contributions

Defined Contribution Record (For Plan 3 and DCP only)

Record Type Identifier

Key

Social Security Number

System Code

Defined Contributions/Deferrals

Tax Status

Investment Program

Rate Option

Note: Use this record only if a rate has been selected by the member or by default for Plan 3 or to report deferrals for a DCP participant. Employers should set up a deferral/payroll deduction only after receiving authorization from DRS.

Reporting a Member Transferring to PERS Plan 3

Current PERS Plan 2 members can transfer to Plan 3 during the initial transfer periods based on their employer:

- Phase One employers' initial transfer window is between March 1, 2002, and August 31, 2002. Phase One employers are defined as all state agencies, state colleges and universities. Current Plan 2 members are defined as having established membership prior to March 1, 2002.

- Phase Two employers' initial transfer window is between September 1, 2002, and May 31, 2003. Phase Two employers are defined as employers, such as but not limited to, cities, counties, fire protection districts, water districts, library districts, health districts and public utility districts. Current Plan 2 members are defined as having established membership prior to September 1, 2002.

After the end of each initial transfer window, current Plan 2 members may transfer only during the open enrollment period each January. To report the transfer, complete the information on the Plan Choice Record (PCR). The transfer date should be the same as the transfer date in Section 2 of the "Plan 3 Member Information form." Use "3X" in the Plan Choice field.

Plan Choice Record

Record Type Identifier

Key

Social Security Number

System Code

Choice Date

Plan Choice

All information; e.g., Defined Benefit Record (DBR), must be reported in Plan 3, with the report that includes the PCR when reporting a Plan 2 member that is transferring into Plan 3.

Note: A member's entry date into PERS Plan 2 determines if they have the right to transfer from Plan 2 into Plan 3.

Reporting a Member Choosing PERS Plan 2 or PERS Plan 3

PERS Plan 2 members must choose to remain in Plan 2 or move to Plan 3 within the first 90 days of their PERS eligible employment. This choice is based on the type of employer:

- Phase One employers' Plan Choice starts as of March 1, 2002
- Phase Two employers' Plan Choice starts as of September 1, 2002

New employees who have never established membership in Plan 2 prior to the above dates must be reported in Plan 2 until they inform their employer—within 90 days—which plan they are choosing. If members do not provide their plan choice within the 90-day period, employers must report the member in Plan 3—report the date of the 90th day for members who are defaulted into Plan 3. Rate option A and the WSIB Investment Program must be reported for members who are defaulted into Plan 3.

To report the member's plan choice, complete the information on the Plan Choice Record. Use "2C," "3C" or "3D" in the Plan Choice field. The Plan Choice date should be the same as the date provided by the member on the Plan enrollment information form (the form is in the design process).

Plan Choice Record

Record Type Identifier

Key

Social Security Number

System Code

Choice Date

Plan Choice

When reporting a Plan 2 member that is choosing Plan 2, all information; e.g., the DBR, must be reported in Plan 2, with the report that includes the PCR.

When reporting a Plan 2 member that is choosing or being defaulted into Plan 3, all information; e.g., the DBR must be reported in Plan 3, with the report that includes the PCR.

Note: A member's entry date into PERS Plan 2 determines if they have the option of choosing Plan 2 or Plan 3.

Reporting a Member Transferring to TRS or SERS Plan 3

Plan 2 members, who choose to transfer to Plan 3, may transfer only during the open enrollment period each January. Following are the initial non-PERS Plan 3 transfer periods:

TRS—July 1, 1996, through December 31, 1997
SERS—September 1, 2000, through February 28, 2001

To report the transfer date, complete the information on the Plan Choice Record. The transfer date should be the same as the transfer date on the Member Information Form (Section 2).

Plan Choice Record

—Record Type Identifier

Key

—Social Security Number

—System Code

—Choice Date

—Plan Choice

All information; e.g., Defined Benefit Record (DBR), must be reported in Plan 3, with the report that includes the Plan Choice Record.

Transmittal Reporting

When submitting your transmittal report include the following:

- a summary record for each transmittal report (reporting group);
- defined benefit information for members of all systems and plans (not applicable for DCP); and
- defined contribution/deferral information for Plan 3 members and DCP participants.

Note: Use the other record types; e.g., member profile, employment information and plan choice, only when necessary.

Separating Employees from the Transmittal Report

Use the Employment Information Record to submit the member's eligibility end date.

Terminating DCP Participation

Use the Employment Information Record to submit the participant's termination date (the employee's employment termination date).

Note: When a participant changes their deferral to zero, stop reporting the participant to DRS. (Do not report any type of date.) Upon termination, add the participant back on to the transmittal report to send the termination date.

Name and Address Changes

Name Information

When members or participants notify you of a name change, you should report the new information on the Member Profile Record of the transmittal report. Remember to report a "Y" for the Member/Participant Name Update Flag.

Address Information

When members or participants notify you of address changes, you should report the new address on the Member Profile Record of the transmittal report. Remember to report a "Y" for the Member/Participant Address Update flag.

Note: Active members' names and addresses can only be updated through the transmittal report. Employers should remind their employees to notify them with address changes.

Single Record Layout Automated Reporting

Procedures for Single Record Layout (SRL) Reporting

The following pages provide general information about common procedures used in single record automated reporting. Because employers use various reporting options, these procedures may not describe the specific reporting procedures used by your agency. Please contact the appropriate staff in your agency or contact your service bureau for additional guidance for transmittal reporting procedures in your particular situation.

If you have other questions about how to accomplish automated reporting, refer to page 8—44 or contact ESS at (360) 664-7200 or 1-800-547-6657.

Note: Plan 3 and DCP deferral information cannot be reported via the SRL. Please refer to the MRL instructions. If you are a LEOFF-only employer and still plan on using the SRL, please contact ESS.

Adding an Employee to the Regular Transmittal Report

When you hire a new employee who is eligible for retirement system coverage, or when an existing employee becomes eligible for retirement coverage, you must begin reporting the employee to DRS.

Before adding an employee

Verify the employee’s plan assignment. The correct plan assignment is critical to ensure accurate reporting. Contact the appropriate retirement system (PERS, TRS, LEOFF) or ESS for assistance with verifying a plan assignment.

Determine the correct month to begin reporting the employee. If an employee first earns compensation in March, begin reporting the employee with a March earning period and begin date. The employee would be added to either the March or the April transmittal, depending upon your payroll cycle. (See the section called “Transmittal Reporting to DRS” in this chapter for information about payroll cycles.)

Completing the First Transmittal Report for a New Employee

The following information *must* be included on your regular transmittal report the first time you report a member. The member's enrollment will not be completed until DRS has received this data. The transmittal system will reject any transactions for members whose information is incomplete on the transmittal report.

The four fields in each record which follow the record type identifier are common (*Key*) fields and are part of each record type. They are:

- Reporting Group Number;
- Reporting Period;
- Report Type; and
- Report Version Number.

To report an employee, create a new detailed transaction record with information in each of the following fields:

Record Type Indicator

— *Key*

——Social Security Number

——Reporting Group Number

——Reporting Period

——Report Type

——Report Version Number

——System Code

——Plan Code

——Record Sequence Number

——Member Last Name

——Member First Name

——Member Middle Name*

——Earning Period

——Type Code

——Status Code

——Compensation

——Member Contributions

——Employer Contributions

——Hours/Days

——Begin Date

——Gender Code

——Birth Date

— * Optional

To avoid an error, make sure you enter the employee's begin date, gender code, and birth date on a single line. Be sure the employee's begin date falls within the earning period shown on that line.

Reporting Additional Transaction Records

At times, you will need to add detailed transaction records to the regular transmittal report. You may have more than one earning period to report for an employee, or you may need to use additional status codes for your reporting.

When adding new transaction records to the *regular* transmittal report, be sure to:

- Enter information correctly in all the required detailed transaction fields.
- Adjust the summary record (or summary page) totals as necessary to reflect the changes you have made.

Separating an Employee

When an employee is no longer eligible for membership in a retirement system, stop reporting the employee to DRS. Use the regular transmittal report to separate the employee. You can also submit a correction report at any time during the month *after* the employee has separated and if all compensation, contributions and service have been reported.

When separating an employee, be sure to:

- report the correct earning period;
- enter status code S in the STATUS field;
- adjust the information in the COMPENSATION, MEMBER CONTRIBUTIONS, EMPLOYER CONTRIBUTIONS and HOURS/DAYS fields as necessary;

- enter the employee's last date of eligible employment in the END DATE field. Verify the end date you enter falls within the year and month of the earning period for this transaction record; and

Note: Create additional detailed transaction records if you need to report leave cashouts for the employee. (See Chapter 7, "Transmittal Codes," for details about using cashout codes.)

- adjust the summary record (or summary page) totals as necessary.